Matthew W. Gissendanner Assistant General Counsel Dominion Energy Southeast Services, Inc.

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289449



January 10, 2020

## VIA HAND DELIVERY

The Honorable Jocelyn G. Boyd Chief Clerk/Administrator Public Service Commission of South Carolina 101 Executive Center Drive Columbia, South Carolina 29210

RE: Dominion Energy South Carolina, Inc.

Request for Approval of Retail Power Sales Agreement with Shaw

Industries Group, Inc. Docket No. 2018-248-E

Dear Ms. Boyd:

Pursuant to S.C. Code Ann. Regs. 103-303 (2012), Dominion Energy South Carolina, Inc. ("DESC" or "Company") hereby files with the Public Service Commission of South Carolina ("Commission") and seeks approval of the Retail Power Sales Agreement ("Agreement") between DESC and Shaw Industries Group, Inc. ("Shaw Industries Group").

Shaw Industries Group and DESC previously entered into a contract for electric service effective June 8, 2018, ("Contract") for Shaw Industries Group's plant located at 4401 Saint Andrews Road in Columbia, South Carolina, at which Shaw Industries Group owns and operates a cogeneration facility ("Generator"). The Contract provided for firm standby service but provided the option for Shaw Industries Group to change to non-firm standby service during the initial term of the Contract. The Commission approved the Contract by Order No. 2018-566, dated August 15, 2018, in the above-referenced docket.

Shaw Industries Group has exercised its option under the Contract to change to non-firm standby service. Shaw Industries Group intends to use the Generator to be its own primary supplier of electric energy at its Columbia location. However, Shaw Industries Group lacks sufficient capacity to meet all of its electric needs under all conditions. Therefore, under the Agreement, DESC will act as a secondary backup supplier of energy. DESC will supply firm unscheduled electric power and energy for any shortfall under Rate 23 ("Supplemental Power"), and will sell electric power and energy in excess of Supplemental Power on an interruptible and unscheduled "economy" basis ("Economy Power"). When the Generator is unavailable, DESC will



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sell Shaw Industries Group electric power and energy in excess of Supplemental Power up to the Generator's rated nameplate capacity on an interruptible and unscheduled "standby" basis ("Standby Power") and will sell electric power and energy in excess of Supplemental Power on a firm and scheduled "maintenance" basis ("Maintenance Power"). The Agreement continues for ten years from the effective date, January 1, 2020, unless terminated sooner in accordance with any applicable provision of the Agreement. The Agreement may be continually renewed for additional terms of five (5) years upon the same terms and conditions upon mutual written agreement of the Parties at least 60 days prior to the expiration of the initial term or any extension.

Due to the commercial sensitivity and proprietary nature of certain provisions of this Agreement as well as the highly competitive nature of the industry in which Shaw Industries Group operates, Shaw Industries Group requested and the Company agreed to keep the terms of the Agreement confidential. In accordance with the terms of the Agreement, the Company and Shaw Industries Group respectfully request that the Commission find that the Agreement contains protected information and issue a protective order barring the disclosure of this Agreement under the Freedom of Information Act, S.C. Code Ann. §§ 30-4-10 et seq., S.C. Code Ann. Regs. 103-804(S)(1), or any other provision of law. Pursuant to S.C. Code Ann. Regs. 103-804(S)(2), the determination of whether a document may be exempt from disclosure is within the Commission's discretion.

To this end, and in accordance with Commission Order No. 2005-226, dated May 6, 2005, in Docket No. 2005-83-A, we enclose with this letter a redacted version of the Agreement that protects from disclosure the sensitive, proprietary and commercially valuable information, while making available for public viewing non-protected information. We also enclose a copy of the unredacted Agreement in a separate, sealed envelope and respectfully request that, in the event that anyone should seek disclosure of this unredacted Agreement, the Commission notify DESC of such request and provide it with an opportunity to obtain an order from this Commission or a court of competent jurisdiction protecting the Agreement from disclosure.

## Enclosed are the following:

- (1) A true and correct copy of the original Agreement in a sealed envelope marked "CONFIDENTIAL." Each page of the Agreement is also marked "CONFIDENTIAL."
- (2) Ten (10) copies of a redacted copy of the Agreement for filing and public disclosure.

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By copy of this letter, we are providing the South Carolina Office of Regulatory Staff ("ORS") with a redacted copy of the Agreement for its records. Additionally, DESC will make the original, unredacted copy of the Agreement available to ORS for its review.

Thank you for your assistance and consideration of this matter. If you have any questions, please do not hesitate to contact us at your convenience.

Very truly yours,

Matthew W. Gissendanner

MWG/kms Enclosure

cc:

Dawn Hipp

Jeffrey M. Nelson, Esquire (both via hand delivery)